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# Hidden Opportunities in Aging Population

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# Hidden opportunities in aging population

Many articles have been written about the problems or challenges facing the national, state and local economies. Far less attention has been given to new opportunities that could be found in the post-recession economy.



Ben McKay

These opportunities have been present even during the darkest part of the past recession. One example is the increase in retirement-eligible population, also called the age segment 65 and older.

There has been some discussion of this phenomenon in other publications.

A great deal of this coverage focuses on negative outcomes. They include Social Security and Medicare running out of capital, concern about the solvency of public and private pensions, and a lack of saving in the 401K accounts that many employees use to save for retirement.

These are real problems with major consequences for the economy and most of us personally.

Still, the Savannah Metropolitan Statistical Area, MSA, which includes the counties of Chatham, Effingham and Bryan, could still see benefits from the increase in retirement-eligible population. This is due in part to the overall growth of the Savannah MSA's population.

The total population increased substantially from 2000-09, according to annual population estimates from the U.S. Census Bureau.

For the Savannah MSA, total population increased 16.8 percent from 2000-09. This exceeded the United States estimates of 8.8 percent but lagged behind the Georgia rate of 19.4 percent.

This benchmark reminds us the Savannah MSA is still expanding in terms of population growth. Some of this increase is due to natural population growth and an increase in people relocating to this area.

A similar story is true of the retirement-eligible population.

In the Savannah MSA retirement-eligible population grew by 14.6 percent from 2000-09.

When this is compared to the U.S. rate of 12.8 percent and the Georgia Rate of

28.7 percent, the Savannah MSA increase in the retirement-eligible population segment is doing slightly better than the U.S. but well below the unsustainable state average growth for this segment of the population.

For the retirement-eligible market, the name of the game will be personal services that make life better in two key ways.

The first type of business that will benefit is service providers that increase personal leisure time and increase peace of mind. These include legal service, home repair, massage therapy, personal training services and pet care.

These services should benefit whether people in this age segment retire or not. This is because protecting leisure time will have a higher value for the individual.

The second area that should see increases is in personal recreation activities such as boating, bicycling, hunting and golf. These pursuits are all activities with a higher start-up cost and take more leisure time.

There are also some general benefits for other businesses because this age segment has more disposable income.

Currently this segment is estimated to be about 39,000 out of a total population of 343,000. The next largest population segment is "mid-career persons aged 45-64," which has more than 83,000 people.

Many of these individuals will be moving into the retirement-eligible population in the next few years.

These areas will benefit whether or not people choose

to fully retire. The increase in disposable income when the nest empties allows people within the population segment to finally enjoy life a little bit.

Even if your business is not in one of the high growth sectors, you should consider adjusting your marketing strategy because the retire-

ment-eligible population is always seeking better value or an increased level of service.

Finally the local economic development agency should increase efforts to develop and attract a broader range of personal service related companies. These companies could provide long-range benefits in terms of job growth

and increase this region's economic diversification.

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